

Housing and Planning Committee Meeting Transcript - 08/22/2017

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>> Casar: Okay. We're going to get started in about a minute. >> Casar: Okay. Good afternoon, everyone. I'm Greg Casar. This is the housing and planning committee meeting. It is Tuesday, August 22nd. It is 2:11 P.M. We are at Austin city hall in the boards and commissions room. We are joined by vice-chair alter and members Renteria and Flannigan, and also joining us is councilmember kitchen so I'm calling today to order. Our first item of business is approval of the minutes from the meeting on April 28th. Can I have a motion to approve those? So moved by vice-chair alter. Seconded by councilmember Renteria. All those in favor say aye? And that passes unanimously. We have one, two, three, four -- four items today. One of them is some presentations from folks in the community that do affordable housing development. And I promise that when they get here we will pull them up so they don't have to wait through our briefings, but they aren't here yet.

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So we'll move on to our first item of -- our second item of business, which is citizen communication. I don't have a speaker's list so it's just if folks want to come we can have five speakers for up to three minutes each. And perhaps people did sign up, I just don't have a list. But it's okay. You can just go ahead and speak. If you just turn on the microphone and introduce yourself, you will have three minutes. >> I'm John Woodley, I'm an advocate for disability access. And I need to bring to your attention some serious issues. I'm an author of the letter of demand that was sent last June to city management, transportation management, engineers, law department, all of whom have not communicated with me concerning my letter of demand about removing harmful and unsafe obstructions from the roadways. As all of you are aware, the transportation director, Bob spillar, sent

out a memo to the city manager and city council without speaking to the discussion and speaking to the stakeholders about people with disabilities getting physically harmed due to the construction of what they're calling speed cushion. They're not a cushion in any way or form. The transportation department has failed to show up for the bicycle advisory council and the mayor's committee for people with disabilities work session in which they were supposed to be open for public to attend and have discussion. The mayor's committee for people with disabilities who I do not represent the mayor refused to allow my public communication and treated my descriptive photos as a public comment when there were vision impaired people in the room. They refused to allow the public to be in the discussion of the main meeting which I regularly

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attend and not on the agenda. I do not have time in a three minute citizens communication to provide full details and data. We want inclusion safe for all, but not to the expense of those with disabilities, and the people that are having harmed, typically have skeletal disabilities. This is a serious issue and not a political for or against since people are getting physically harmed, please set up an emergency session open to the public to have a full discussion or at least put it on the city council agenda. Thank you. >> Casar: Thank you, Mr. Woodley. Is there anyone else that wants to speak on a topic not on the agenda? Come on up. Thank you. >> Hello. Can you hear me? >> Casar: Yes. Go ahead and introduce yourself and you will have three minutes. >> I'm Dora Smith and I live in councilmember Casar's district and I'm 60 years old and I make between 250 and 300 a week and also collect \$700 a month in social security and I may not always be able to work. I've struggled to pay rent from one month to the next, and if I lost the housing that I have, where fortunately the landlord isn't charging market value rent, I wouldn't be able to afford a roof over my head and I don't know what I would do. As you know, even sharing an apartment in this city costs at \$650 a month. It's frustrated me that an effort at affordable and increasingly affordable housing in Austin focus on privileged groups, like musicians, veterans and school teachers. Little help seems -- there's some help available for the working poor and retired people, but not much. There's long waiting lists for it. And I really don't see any efforts to expand that. And I'm also finding that as somebody who is also in the position of seeking help

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paying their rent, there's remarkably little help available unless you're already living on the street, at which point all kinds of avenues to do I don't know what will open up, but whatever they are, you shouldn't already have to be on the street to qualify for them. That doesn't make any sense. Thanks, that's what I have to say. >> Casar: Thank you for coming. Is there anyone else? That wishes to speak on

a topic not on the agenda? Okay. Thank y'all. Then we'll move on to item number three, which is discussion and possible action and a presentation on technology enhancements for tracking and monitoring our income restricted housing units. Ms. Truelove, take it away. >> Thank you. I think they're working on pulling it up eventually. I'll go ahead and start even though you may not have the presentation material on the screen. Rosie Trueluck, the director of neighborhood housing. We're talking about tracking the monitoring and tracking performance for the income restricted program. We were at your April meeting. -- Thank you. We were at your April meeting and Chase Clements gave an overview of our monitoring process and procedures. I wanted to revisit that to refresh everyone's memory. We have 78 funded projects that comprise over 3500 affordable units. Rent and income certifications are conducted by neighborhood housing and community development staff. The physical property inspections are conducted by Blueprint Housing Solutions by contract. For our incentive projects we have 75 projects that comprise over 2700 affordable units and those rent and income certifications are conducted by Blueprint Housing Solutions as well as the on-site visits. The methodology we use, we have an annual risk assessment, 100% of projects are monitored during the

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first year and with a minimum of every third year thereafter. Ten% of the units are reviewed during each monitoring effort, and technical assistance is provided throughout the affordability period. The system of record that we have currently is our affordable housing inventory. This is a Microsoft Access database. It's one that we created in-house that I'm very proud of the staff that worked to accomplish this. It helps to give us a system of record that we don't have right now. But as we'll talk in a few minutes it has some drawbacks that we'll want to ideally see addressed in the not too distant future. Our investment categories for increased resources for tracking and monitoring, we're going to continue to have third-party contractors such as the one we have with Blueprint Housing Solutions. This funding requirement will be identified in the fiscal year 18-19 business planning process if there are any enhancements that might be needed to that. We have -- we're in our first year of our monitoring process and we have -- staff is conducting their first annual monitoring and Blueprint is conducting their first monitoring effort, and I think we'll know as all of those efforts come to fruition with additional data if there's additional resources that might be needed for external contracting. And similarly with our NHCD staffing. Our portfolio is expanding hopefully greatly as we continue to work towards the implementation of our strategy housing blueprint. I think there might be a need for additional staff for monitoring. It would be - - because I don't have any first round of reports ready, I would prefer to wait until I could plan that out and be a little bit more strategic with the additions there and that would be something identified through business planning in the coming year. There is definitely an opportunity for improvements and increased -- that would

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increase our efficiency through technology, and that's integration with our Amanda system. And as well as through community partnerships. And we have the folks from Austin city up who will be giving a presentation on that here when I'm finished talking about the internal city side. So the third-party contracts. Let's talk a bit about that. Blueprint housing solutions contractual services statement of work covers two primary tasks. First is property standards inspections. This is a one-year agreement with two 12-month extension options. Currently we're in year two. It's about \$31,000 per year with up to 600 inspections and 60 reinspections. The cost per unit -- the cost per inspection is \$57 and \$113 for reinspection. The second task is the income eligibility and rental rate version. This is a one-year with two 12-month extension options and we're currently in year one so we have additional time on that contract. That's 56,000 in year one and \$58,000 in year two and three. And that's a contract for up to 650 unit verifications at a per unit cost of \$87 per verification. Shifting now to our incertainly technology needs, as we talk about the affordable housing inventory, it's a Microsoft access database that was created to track and monitor our housing portfolio. We use that as our system of record. We use it to create our monitoring plans and to record that information, but it is a Microsoft access database. It is not -- it was created as a result from an audit that the city auditor recommended that we develop a more substantial system of record so we have it, but it does not in the long-term really meet our needs. If you kind of think of it as a stairstep, the first step on the stair was getting the system in place.

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Staff did a tremendous job of creating this from scratch, building it. We maintain it. But it is vulnerable because it is an access database that sits on a drive over in neighborhood housing. So we just had an incident this week where someone accidentally picked it up and moved it to a subfolder and we lost it for a little bit. We found it, it's okay, but that shows us the vulnerability of the system. And it's one that is critically important to us at housing. So we're working with communications and technology management to transition the current functionality of the affordable housing inventory into Amanda. Amanda is the system that development services uses for permitting. It's a solution that would be effective for us. The price tag that we've been told to recreate just what we have existing in the affordable housing inventory into Amanda, which is a more sophisticated system backed up, maintained by our technology department, comes with a price of \$150,000 of estimated cost. So that would be potentially our second step in our staircase to get us to where we might want to eventually go. Additionally we have been coordinating with development services to modify some current business processes that they have and to leverage some of the recently implemented modifications for affordability restrictions. And those are about \$24,000 of estimated cost. So again kind of our third step. What's not on here would be our fourth step, which is transitioning us to something that would be probably more user friendly for the public, for the folks that are wanting to find the units. Currently our

affordable housing inventory data is put up on the open data portal, but it's not -- you know, there is a need to be able to help the folks that

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want to get into our affordable units find where there are vacancies and kind of bridge that gap. And there are better systems that are out there, but those would be a much more substantial investment. And until we get the affordable housing inventory in Amanda and into a more stable environment, it would be hard to make a transition to even a system like that. So these are the -- this is the cost that we have here for the Amanda improvements. I think when the Austin city up folks come to speak they'll talk about -- there's there was an item on the August third council agenda that spoke about working to develop a realtime database to help get the unit information out there. And they'll speak a little bit more about that and the cost estimation of that is about 120,000. >> Casar: Okay, thanks. Ms. Truelove is this a good breaking point for folks to ask questions because I see there's another half of this from Austin city a up. So if there are questions that you think can be answered in the second half just let us know. >> Happy to do that. >> Casar: Vice-chair? >> Alter: I just have a quick question I want to clarify. On slide four, it has contract task one and contract task two, those are already in the proposed budget? >> In the contracts that we have. >> Alter: And in the budget for fiscal year '18. But then the items to five would be additional purchases? >> Yes. >> Alter: Thank you. >> Casar: Any other questions? Councilmember kitchen? >> Kitchen: Just quickly so I've got it clear and maybe for the public, remind us what you use this data for? >> Which data? The affordable housing inventory? >> Kitchen: Yes. What's the function that you're doing with this data? I'm understanding it to be

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inspections and income eligibility and rental rate verification? >> That's part of what we do through our efforts. The affordable housing inventory is our effort that captures all of the items we have in our portfolio. It captures the affordability period, their location. So that's there for our city subsidized income restricted units and then those that come about through our programs like density bonus. >> Kitchen: So we use it for inspections and monitoring, right? And we use it also to make sure we build what we said we were going to build, is that right? >> Yes. That would be part of what we want to do with the integration. That's what we're hoping to help facility with the integration into Amanda, which is one of the items, specifically the third bullet that we have on that slide. There are projects that start and work through the system and the more integrated neighborhood housing can get into that process then we can start tracking things sooner and make sure that we're staying on top of things and they go through the development cycle and the building process. >> Kitchen: Okay, thank you. >> Casar: Are

there other questions before we see the rest of the presentation? Councilmember Renteria. >> Renteria: Where are you getting the funds to do this? To do the report? Do they come in through the fees that are being charged? Where do you actually get your funding for the reports for the -- >> So the funding for the improvements to Amanda right now, there is not identified funds for that. We would have to find funds internally to accomplish that. So we would be looking either for additional funding, we would be looking at the viability of funding, something like that through current funds. It's not a federally funded - - it's not a possibility to cover it with federal funding so we'd be

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looking at all of our funding sources to try to accomplish something like that. But right now we don't charge fees for monitoring of our incentive program. I think that's something that we're looking into. It was something that we looked at a number of years ago, but it didn't hold water, so we're going to be reviewing that again to see if that's something that would be potentially feasible. As a way to offset the cost of monitoring these units. >> Renteria: I was wondering if there was a fee associated with that. >> Not currently. >> Casar: Councilmember kitchen. >> Kitchen: You may not know the answer to this and that's okay if you don't. But the Amanda system is -- my understanding is the Amanda system is getting some upgrades generally and that perhaps there's funding for those upgrades in our budget. I know that's something that the development department has talked about. Are you familiar with that? I don't know if -- do you know what's in -- >> I'm not familiar with those -- with what they're doing now, but we do know that those upgrades are happening and that's why we think the timing might be right to piggyback on some of the work being done to try to make our changes as well. >> Kitchen: All right. I think it's worth investigating that budget because perhaps that budget is broad enough to encompass some of this. >> Casar: Councilmember alter? >> Alter: Building off that, would it be possible to use those fees from development services to cover this portion? >> That's a question I would have to talk to Rodney about about. I'm not sure is the answer. >> It just seems that it's very much related to what they're doing at development services or planning. So I would encourage you to follow up. >> Casar: Any more questions before we see the second half of the presentation? I just want to flag for our committee and for the public at this point that I have

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continued to hear concerns from folks about how -- about, one, making sure that folks that are under the mfi that we've set are making sure that they're living in those units and making sure that we have the technology to do that. It sounds like we're trying with what we have, but that there might need to be a budget conversation this budget year or other budget years to do that. And I want to have some

discussion about that when the presentation is over. And then also concerns that there are folks that might be under an mfi level, but there are people who for the rest of their life, given our current economic system, are likely to be there and then there are people who are much more economically mobile and more economically powerful and might just happen to be at a lower income level for a period of time. And sometimes those people have more social capital and can more easily find these affordable units therefore maybe less vulnerable people aren't always getting to them. So apart from the tracking and making sure they're complying, I think councilmember kitchen's point is really important to figure out how we're actually getting the word out to community members who need this the most and utilizing it to get that to them. So I'd be really interested also in what the cost might be to help engage some community organizations that -- to do that affirmative marketing and really get people connected to the units who need them the most. So that's something I would be really interested in. I don't know if that's part of what you're going to be discussing in the next part or if that's saved for -- or if that's for another day. >> That might be for another day. I will say that -- and it might be possibly covered with some of the work that we're contemplating under the initiative that the Austin city up folks are going to talk about. When you talk about our incentive properties, right, the idea of working with those property owners and leasing agents and whoever is managing those to make sure that we're being a good partner to help them be in compliance with the

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requirements of the program is very important to us. We've actually started a round of biannual training sessions with them where we're trying to educate them on the process, where we have everything that they might need, and we had our first round of discussions with those folks back in may and so we're looking at for the next one what we can do as part of those conversations to encourage the affirmative marketing concept. It's not something that is currently part of the regulations, but we're looking at what we can do to try to encourage that. And then also how that might come into play as we roll out codenext. >> Casar: I would urge that we keep those things -- it feels really big, but I think they're all connected to make sure people are complying, to make sure that we're able to track what it is that we're doing and finally to make sure we know where the units are that are availability that we're getting them to the people who need them the most as we can. So we could move on to the second part of the presentation. Once that's up I'll call Mr. Rogers up, but I do want to -- before we get entirely off this, I want to have a discussion with budget stuff about the committee to see what they think. >> Okay. I think we have Ron baker and Katherine krego to provide the next portion of the presentation. >> Casar: Welcome and thank y'all for being here. >> Hi. Thank you very much. I'm Ron baker. I'm an IBM distinguished engineer. I work in our -- the director of our geo spatial analysis organization. For about eight years I have also done strategy for our smarter cities initiative so I've gone to quite a number of cities globally and worked on these kinds of technology applications. And learned quite a bit in

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the process between Minneapolis, fort Lauderdale, Miami, a lot of other U.S. Cities and other cities globally. So I'm trying to bring that experience to this organization and I'm one of the founding board members of Austin city up as well. >> I'm Katherine grego and I lead strategic initiatives for the housing authority at the city of Austin. I spent about 20 years in semiconductor rmd technology public-private partnerships and consulting, and in the last few years I've led the unlocking the connection program at the housing authority, which is the effort to connect housing authority residents with you internet, digital skills and digital literacy. And then together we co-chair the housing committee of Austin city up. So we're here today to just share with you a little bit about Austin city up and the housing committee's work. Austin city up is a consortium of about 70 companies. In October last year we voted on which projects -- which smart city projects were most important for the city, and affordable housing solutions app was ranked number one by that group of companies. So since then, you know, we started with this vision of a single mom who has a new voucher and is now trying to find affordable housing, how does that person do that quickly? There's a lot of time elements involved. How do they do this? And we looked at the housing ecosystem, we pieced and parted it. We looked at various aspects which we're going to share with you today, all with that person in mind. This is the time now we think as an objective party that the city has an ability to more timely and more cost effectively develop standards and tools, search tools that can be used to help as a whole. If this is done correctly we hope to achieve all the dreams that were outlined in the resolution. >> A little bit about the city up. As she mentioned, it's about 70 organizations, I'll say. We've been very pleased that

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we've been able to grow that quickly. We were founded back mid last year. What we do like about the organization is there's not just a lot of big companies that have local presence, there's also a lot of start-ups, volunteer organizations. There's university presence and then there's also several agencies in the cities that actually joined as representatives as well. So it's made a great forum for to us do a lot of workshops, talk about priorities, really think about technologies, and in getting to revenue models and not just funding or grants, we've helped with nsf grants and some of the global cities challenges. But also to think about how could we build more sustainable offerings that help where the city doesn't have to fund everything in the process. >> So together our Austin city up housing committee members have looked at stakeholders so we have met with scores of stakeholders and we've learned that while they share many of the same needs, they have special needs. A renter may have a different need from a housing counselor, and that housing counselor in the school system versus at caritas or social services organization versus at the housing authority they may also have other needs. We've learned also that in evaluating companies that provide data and companies that provide solutions that are similar to what we're looking for, but not quite there, that many of the assets that we need to go forward with an

affordable housing solutions app exist, what we need now is the catalyst of providing that shared set of requirements and data standards. >> We also looked at a lot of the data that's available out there. The good news is there's quite a bit in terms of context. There's lots of information that is either free or you can buy around business locations, health service locations, transportation, demographics. And that's all readily

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available. There's even a fair amount of information around housing stock and what's for sale between mls listings and others. The difficult part is actually getting the active list and also associated with affordability and section eight acceptance, things like that. So we're close, but we need some of those extensions and one thing we've certainly learned is the difficult parts are upfront. A lot of our projects is 60 to 100 percent of the cost is getting the data cleansed. Don't underestimate that. She mentioned for example, co-star is one of several techniques to get this active data. That's one thing that's important, timeliness. Is this house reliable right now? May be generally affordable, but someone is already in it. So they use a combination of technologies actually up to just cold calling apartment complexes to find out what's available. So some technology, some manual processes. So we just need to coordinate this together. >> So one of the big takeaways as Ron said, folks are cold calling. We learned from our initial data workshops that there's two ftes just from the three companies that were there that are duplicated effort trying to figure out where is the affordable housing and is it available. We suspect that there's much more duplication of effort in the community so what we need now is to pull together folks into some sort of initial design process where we identify the parts of the ecosystem, identify the existing approaches that non-profits and companies have. Our shared data sources and what are the search tool features that we actually need. We still need to figure out what are the minimum requirements for a search tool and how can we make this as easy as possible for everyone to use. And finally, sustainability is always on our minds. Folks do move? They do change affordable housing. Some folks are in organic housing as you heard earlier

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affordable housing. So how can we make this as sustainable as possible? Is there a way to incent commercial players to get involved in helping to solve this problem. >> And by sustainable, we specifically mean there is an offering that has to continue month to month. When you go out to something like realtor.com mobile app you're not seeing houses that were available last year, you're seeing houses that are available for rent today. So that activity has got to be maintained so that we have the most current information. So whether we are -- the ultimate goal we would like to see is something

like that, whether it's an extension of something like a realtor.com or apartments.com that now has more affordability information in it along with some preferences like what elementary school are you in, would you like to stay in to avoid that move, there are those kinds of enhancements. It could be a completely new application that leverages data from some of those, but ultimately in our recommendations we look around the modern technology that we're used to. We want something that's a little more akin to the Austin 311 application, cloud hosted where the city doesn't have to bear the cost of the infrastructure, the operations, the upgrades and things like that. Whoever is providing that should handle that and then provide the city with just a monthly operational cost. Now, if it's a custom solution and this is the -- we don't want just a custom solution, we want something that's repeatable, because if you can now share that cost over multiple cities, I'll give you an indication, typically infrastructure costs like this are between five and \$10,000 a month just to post. If you're only the city you are bearing that cost plus whatever the profit is. If there's ten cities it's now five dollars a city for the cost. So the more you can share and get repeatability, the better, which is why we

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would like to help with shared requirements and some analysis of whether or not this could be used more broadly to bring that cost down. The second part, and we looked at different revenue models, is can you share multiple applications or even customer segments. A quick example I've got, we actually sell an analytic that helps insurance companies with their customers in up and coming areas. We do an analysis to determine what those areas are. Well, those areas happen to be typically the areas that are gentrifying. So the same analysis we could turn around and sell to the city so you could see when those trends are happening, what can be done to affect policy. So here's an example of commercial and public sector sales that might help subsidize and bring the costs down again. These are just techniques for the vendors. We're trying to look at how can we reduce the cost to the city. The other part that -- in addition to sustainable offerings. We really think you need a lot of actionable insights coming back. So the data that's being gathered starts to form a lot more of the information that you're asking for in this data hub. You should also expect to get back analysis of those, of that data that you could use for policy decisions and things like that? So there should be a complete feedback loop within that process. The same thing with the school district. They should get policy information back from those results as well. We did a couple of revenue models around transaction fees and advertising. This kind of comes with a set of issues related to those. We're trying to be complete into what areas might be funded. The last thing we talk about is how do we incent some business? Why is there not something like this already out there? It is true cities in the U.S. Have the same problem. Maybe not to the level of

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severity, but when we talk about things we can do to start this process, can we facilitate this by hold be some design workshops, getting the requirement laid out that we think are important and then expanding that to see what other cities have that same kind of requirement. There are tons of design studios here in town. There's one that's on our committee. And they would be willing to help with either free or reduced kind of information. In doing that. Once we get a sense of what this app should look like, who should be doing it, requirements in the data, then I think you -- you're armed with a better set of information to look at different rfp processes or investments or different models like that that we're not as familiar with as you are. So I think you should look at it as an organization that can help with whether it's prototyping or research into certain areas in this space. That's what we're trying to do with the agencies right now. >> So our focus today is to share with you that we were elated to see the resolution that resources for renters passed unanimously. We know that there is an urgent need in the community and we think that this immediate need can be solved fairly quickly while developing some sort of sustainable long-term solution. >> Great. Thank y'all. Ms. Truelove, if you could come up because maybe the questions might need you or we might ask questions. Are there questions here for Mr. Breaker and Ms. Grego? I have a couple. The first, thank y'all for the work that you've already done on this. I think it's really important. I guess what I first want to understand is how -- I know that y'all are meeting in your housing committee with our city staff. From what you saw -- maybe Ms. Truelove you can help us with this too.

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What you described in Amanda and what we need to do on city systems, they can't get accidentally moved around on a desktop, compared to this app concept that might be shared by multiple cities, how do those overlap or duplicate? I want to understand better what the city is doing versus what y'all are working on? >> I will quickly say that this affordable housing solutions app that we've been working on ant a compliance focused appear. It's about helping that consumer, that single mom who just got that voucher to help suitable affordable housing. So that we don't currently envision this being used in a compliance capacity. >> So essentially they would not overlap. The city is the primary source from that set of data. So protecting it more appropriately than access makes perfect sense and then that data would feed into whether it's one or more vendors that would use that as part of the analysis. Similar to the way realtor.com would gather data about listings and things like that. So it's one of many sources. >> So Ms. Truelove does it make sense to state it as we have to make sure that our shop is in order so that if it gets uploaded into the cloud for an app to be used that people are -- when people are checking on the app that this is a 60% or less than [indiscernible] Unit that is indeed up to property code and is indeed only taking folks at that income restricted rate? >> Yes. >> Casar: In some ways it is important moving forward in what you're working on. We also have to make it is as up to snuff and built out as possible so the public facing perk can work? >> They absolutely could hand in hand without having our systems in order and reliable and complete and fully integrated into Amanda and really capturing all the information and what we capture will make it very hard to have this data be

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available in a reliable format for them to -- for whoever to build this app and be successful. >> Because if the app is wrong it would be frustrating. >> It would be frustrating. >> Casar: Are there other questions before I ask one or two more? Councilmember? >> Kitchen: I'll wait until you finish. >> Casar: Sure. And so I what are you're talking about other cities that on would potentially use this. I tried to flip around a little bit through other city's websites. I still can't quite find the best model. Have you seen other cities that are doing this as well? >> Not directly. We've seen examples in Portland where they address application fees and trying to assist in that. We've seen others where there's property management that helps from the property side and then makes it easy for people to find, but the list is not complete. So there's pockets we found, but nobody has sort of put it altogether. >> Casar: Even the big housing authorities in other cities? No sister housing authority? >> No. We've are just seeing the dawn of affordable housing incubators. I think this is part of the problem. Looking at Portland, San Francisco, Boston, we've seen these as well as app providers that serve probably over a dozen cities. There are a couple of themes that are in common and, for example, do we incentivize property managers to keep their data accurate? How do we do that? Whose responsibility is it to pay for a listing on the site? Is it the applicant's responsibility or the landlord's? And these solutions tend to vary based on the market. We have up turned markets, flat turned and downturn markets. We're in an up turn market so we're at capacity. We are focusing on what people do at capacity, but we realize too that we're also in a cyclical environment. So we think there are opportunities to bring some things together to solve some of these problems. >> Wield like to find out

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more from New York because they typically have a larger budget than anybody else and this is obviously a problem for them as well. But we haven't been able to connect in a lot of detail there. >> Casar: I think that would be really helpful. So my understanding is we have to get some of the sort of baseline tracking and compliance stuff in our own house in order to be able to build out a public facing application and hopefully also maybe bundle in not just our incentivized projects and funded projects, but private restricts and things with the housing authority, all the affordable housing units there are so that what could be layered on top of that is us actually going out and marketing those units to people who are most in need. It seems like there's all three of the steps and they all go in that order. >> That's right. >> Casar: Councilmember kitchen. >> Kitchen: Okay. So the thinking is the data would come from the city. >> Part of it. >> Kitchen: Part of it. What's not coming from the city is the updated data, right, on a monthly basis? >> For example, whether it's the mls board of realtors, people like that, or a company like co-star or others that they gather these with different techniques, generally you will need more

than one source. >> Kitchen: And that's because as a city our role is to update our data maybe on a yearly basis or some basis that's not monthly. And I suppose that our data from a city's perfect is not to include whether -- it's just number of units, not who is in a unit or whether a unit is open? So that's not the kind of data that we would have? >> I wanted to add something to your previous question about especially what data would be included in the overall hub that is being discussed as part of Austin city up. So it would be not only units that are funded or

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incentivized by the city of Austin, it would also be market rate units that are affordable and compel those that accept housing choice vouchers because that's an incredible need. So the data obviously can't just come from the city. It will need to come from private property managers which really is the challenge trying to figure out how do we in some way incentivize, encourage them to provide information about their market rate affordable units. >> Kitchen: I won't ask a whole -- we can dig into the detail later, but just so I can understand the basics. So our data is, this place has X number of units that are affordable. Our data is not unit a is available for rent. >> Correct. >> Kitchen: So we don't get data on how many are filled at any point in time and what the openings are? >> Not in any type after realtime -- >> That is the hard a part. >> Kitchen: That is the hard part. That is the challenge. And I think you spoke to this a minute ago, but I'm not sure if I heard the answer. In terms of the business model, for an app like that, I can see the use case for an app like that -- I can speak see it from the public, but also see it from the social service agencies, but in terms of who will pay for it, how far did you guys get in that analysis? >> Yeah. I can tell you the reason I'm on this committee is because my experience with our software was exactly that. Who's going to pay for it? >> Kitchen: That's always the question. >> So that's why we tried to look at can we split the cost between so many cities because then you lower the cost per city and then the agencies have a better chance of affording it. The same thing is if I can get insurance companies to

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pay the bulk of my cost and I can subsidize it to cities as a vendor. And then we want to describe the transaction and the -- >> We looked at a variety of models. We looked at, for example, one model folks in Portland pay \$35 once to apply and then they're matched with a variety of housing. So they do one-time application fee. And if they don't qualify for certain housing they'll actually get coaching on, hey, your credit score was just a little bit too low. Here is some credit counseling for you. Or if you didn't have that misdemeanor you would have qualified for these ten properties. One thing that we've looked at is that person pays, but we've looked at advertising models. There are folks who advertise, federal

agencies that have apps that are funded by advertising. Of course, within ethical and, you know, certain -- >> I'm not excited in particular to a low income demographic. You have to consider those kind of issues and privacy issues as well. >> Kitchen: One last question and then we can talk offline. That's an app used in the health care field that is used for income eligibility, for eligibility application for medicaid and chip and all that stuff. That's paid for by the social service agencies that use it. So I'm just curious about -- it's not a huge cost because once you build it, you have to update it, but anyway, I just didn't know if anyone had looked at that model for payment. >> Is the equivalent here that nhcd would pay for that? >> Kitchen: You don't have one entity paying for it. That's how it works. Because the data sources - - any of the social workers in these different agencies that connect people are our governmental entities do that, our non-profits are not going to have a lot of

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money to pay for that. I'm thinking more governmental entities. >> The more you can share the cost of that. We've not -- I can tell you we've struggled with that because we do -- for example, code compliance would have related information to this as well. Vacant property analysis. There are different agencies that can share some of the costs, but that's the challenge. >> Kitchen: Okay. My very last question. Have you got to point of having a business model in terms of what the cost are or things like that or -- >> Only at high level. >> Kitchen: Okay, thanks. >> Casar: So I want to wrap this up so we can hear from Mr. Rogers and Ms. Lash. But before we do it sounds like our role on the council level is one from a policy perspective there may be ways that we can structure monitoring fees or affordable housing programs or other ways that get people to participate in whatever it is that we come up with and works. But then from budget, and I do want to understand just because we are working on the city manager's proposed budget, if there is-- what the first steps would be if the city were to being one of the primary proceed priorter, kickoff folks, from the housing perfect or both, what is the first -- what is the first chunk of money that needs to be put in to get this really moving? Is it on the baseline level of getting our own house in order? Is there some mix between the public facing portal and the compliance part? Where do we go first? >> I'd suggest like you said, on the one slide looking at something like design workshops. You could probably host those relatively with less money upfront and try and correct what those business models use, whether those organizations or city up as a -- if you have certain

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questions you want answered, use us to either build prototypes or those kind of things and get feedback from people that actually would use the application. It would be wonderful if the woman who was here earlier could actually look and see if she can find affordable housing or different things that are

available. The same thing with the city staff or the school district. So we could do that in a relatively short period of time, sort of build the requirements for what those things are and maybe do a little more depth in than what the funding options or the business models might be. And then proceed with then proceed with more of a formal rfp or additional funds for what that would be. >> That provides an ideal scope. I'm sure nhcd or y'all would look at what is the immediate need? What is going to serve the most people most easily maybe meeting the spirit of the resolution providing a search tool? Today there is no single comprehensive list of affordable housing in Austin. There is none. So the data standards that are required for that, understanding where that data is and how it gets in, that's an expensive thing to do and that's why sometimes companies delay getting involved in the market until that objective party pulled that together. >> So do y'all or nhcd have some sense of what the figure is on what a first step would be to get this -- >> I think what we're looking at for that first initial concept would be around \$20,000 to be able to conduct the design workshops to be able to, you know, scope out what the solution might look like. And then I think approximately \$100,000 has been identified that would be perhaps sufficient to incentivize or put in some initial capital if we were moving beyond phase one into

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phase two and actually developing the system, then a hundred thousand would be a figure to look at as what the city could invest that would be sufficient to get enough partners on board to get the project accomplished. >> Casar: For the public-facing portion. And even if for our inward portion -- >> For our inward portion I'd go back to -- I'm going to flip through back to my slides. We would be looking at approximately 150,000 for the re-creation of the affordable housing and then Tory and Amanda and approximately 24,000 for the dsd, development services process changes that would allow us to get fully integrated into that and maximize the benefit of being in Amanda. >> Casar: And that was -- and councilmember alter I think had a good question around funding for that one, whether or not since it's a development services thing it would be a general fund thing or a development services fee thing or -- >> Yeah. For that \$24,000 piece I could see there might be synergy there. For the re-creation of the affordable housing inventory that might be more of a stretch to get funded through dsd's -- their abilities. >> Casar: Sure. Before we move on from this item I wanted to raise that I think just for our committee members at this point that I -- my experience has been if we don't bring this conversation up in this budget obviously it can't be in this budget and if we don't bring it up in this budget it makes it more difficult if it doesn't go in this one for it to be in the next. Whether or not we fund some of these things in this budget or not, if we want it funded in the next couple of years it makes sense to start talking about it sooner than later. I would like to go with step one and step two for the development services portal and -- and the inward facing work, would like to have those up for our group discussion. I mean, I'd be happy to put them up personally but I think since we've had two

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meetings about this now, if -- I don't know if there's a process for us to put it up on the concept menu as a committee because it's not really just my thing or if y'all would feel comfortable for me and the vice chair to both do it. I just think that getting this conversation in front of the full council is really important because we work week after week and council meeting after council meeting trying to get affordable units on the ground but tracking them and being able to send people to them and get the right people to them seems really important. And so I just want to make sure that it's not lost in the budget conversation. Any thoughts? >> Alter: I just had one question, but it's important for understanding where I want to go. Help me understand, to the extent that you've done discussions with the landlords, we are in this market where they don't have to do very much advertising. What is your sense of how it would be received by the land. Obviously if it's a lose market and you have to struggle to fund people you would be valuing that. Ultimately for the solution to work, you have to have the help of the property owners and their participation and as much as we want them all to want to do that I'm wondering what you've encountered and what you've learned. >> Want to have heard from different folks a variety of things. Some are interested in participating in this because it's goodwill, feeling of goodwill or, you know, belief in what the city is doing or the mayor is doing. Other folks have said I would be willing to participate if there was some kind of small incentive for me, we've talked about going to Home Depot or Wal-Mart, if you would provide a 10% discount on this type of material for this landlord in exchange for them participating in this platform. Other folks are looking for uniformity, basically want

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to participate once. Now they have to go to platform a, B, C, D, E? >>> It's time intensive. Some don't want to answer the phone as much as they do now. Now they have to pick up the phone from all these different people with directories and they may not have the right information. Could those reduce their operational costs? You know, it's not -- you're right, it's not so much time to money in this market or time to resident, but people still allow -- time to rent, but people allow for we're still in a little bit of a cyclical market and will continue to be. There are a variety of reasons and part of what we would do is engage landlords in this two, what would be helpful for them in the search tool? >> You really have to focus in this market at least in their convenience, how do you simplify their life? Because they don't have trouble renting the place. They just don't want to receive all the additional work to go with it. So if you makes that as simple as possible, that's going to be important. >> Alter: What about the target audience for search this all is predicated on them having access to an app and a phone and -- >> Either that or -- >> Alter: How much of an obstacle is that. >> We have one case where it's done through the school, they come in, they've got a counselor, if they've got to move they're trying to help them with what other affordable houses are in that same elementary or school district so the school doesn't lose funding and they don't have to move the student. So you could have additional outreach channels for

people that don't have access to either mobile or web someplace. >> Alter: And that would all be part of the design? >> It needs to be. >> Alter: Thank you. >> Kitchen: I was going to suggest whatever action is taken in terms of putting this as a budget consideration might also consider a request to -- request to the development, to dsd, about at least the Amanda part, what part fits

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with the funding they already have in terms of redeveloping Amanda. So. . . >> Casar: Councilmember Flannigan. >> Flannigan: I don't think the process of writing the concept menu has a provision for committee and since we restructured our committees I'm not sure it makes sense to have a leg up in the process. I also have a lot more questions I want to talk to staff and other folks in the community about other ways we might approach this project. I'm not prepared to support it on the concept menu but you don't need my support. You can get it on there a couple different ways. >> Casar: So, I mean, I can go ahead and put it up unless there are folks that would like to put it up themselves or put it up with me. I think it will be good for the rest of the council to know we're having the conversation. >> Alter: I would be happy to do it -- join with you on putting it on the concept menu. I think there's some things I would like figured out before I would necessarily support things in the budget but I think it's important that we get the conversation going and as we're going to be trying to figure out what steps we're going to take additionally in the budget to address the housing crisis that we have, I think this is a very important piece of the puzzle and needs to be part of that conversation. But I also would second councilmember kitchen's comment with respect to figuring out if there are ways, since this is linked to development services or planning code, if there are ways to link into some of those fees rather than having neighborhood housing have to fund any of those pieces that they don't have to. >> Casar: Great. Thank you. I think that it's part of our task to make sure the rest of the council is aware of what miss chief we're causing over here. Thank you so much for all of your time. Unless there's any other questions we'll move on. Thank you all so very much.

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>> Thank you it's supposed say item 4, presentations by representatives in the affordable housing development community regarding opportunities for below-market rate housing. We've got Mr. Rogers and Ms. Laff here. >> That's a big difference. >> Good afternoon. >> Casar: Good afternoon. >> We'll do it the old-fashioned way. Paper handouts. But my -- mea culpa -- >> Kitchen: That's okay. >> [Off mic] >> Casar: Thank you both for coming. We are -- have been starting a little tradition of setting aside some time in this committee meeting. It was an idea of the vice chairs to have some time where we hear from folks that are building affordable housing in the community because we don't have all of the answers

ourselves and would like to know how things are working and what ways we can better support the work that you're doing. So take it away. >> All right. Thanks for having me. Thanks for having me. First I want to say -- I want to say hi to Mandy as being in the public sector now. She's -- she and I used to make the rounds to you folks, and as mark and Mandy sort of Mork and Mindy kind of a show. [Laughter] Now I guess I'll be going to her asking for money or something. >> Casar: That's right. She's abandoned you and is part of the machine. >> Amazing resource. Austin housing coalition, she's been an amazing help to us there. Now with the city she can be of amazing help to all of us, which is great. Little bit about -- I gave you a little background.

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I was going to use this myself and I said, hey, why not give it to you guys so you can see it. It's a small nonprofit organization, neighborhood-based, around for 36 years. Working predominantly in central east Austin, work in montopolis as well. Started out between the state cemetery, I-35, several blocks east of downtown, and sort of a mid, late '80s moved south to the recovery into councilmember Renteria's area and pleasant valley road and eventually out to 183 and so on so our empire keeps expanding as the need becomes every greater. Neighborhood-based, by that I mean -- we have a nine member board. Eight of those -- most of them live in the service area where we work. Secondly, we prioritize those folks in the service area who have generational advertise, so 20 years, 25 years or more of the family living in that area gives them the highest priority and we work our way down to 15 years, ten years, so on we're small, staff of four. We have pro Bono attorneys that help out and outside financial management. So it's not just the four of us but still that's relatively small. Lots of partners, UT center for sustainable development and the UT community law clinic helps us out. We do things together all the time. Austin community design and development center helps with design work and sometimes charettes community input meetings and so on. Austin energy has been a main partner on our net zero subdivision, providing solar panels it looks like we may be getting one of the first batteries through the shine program. City of Austin got a \$4.2 million grant from the department of energy and our project we just completed, the engineer Jeremiah program, looks like a good candidate to get an

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18-kilowatt battery, which actually helps the city out as far as storing that energy when we have a solar eclipse they can draw from the battery until the -- or when the sun goes down they can use that battery more typically. Foundation communities, we partnered up with them first in the plaza saltillo rfp process and more recently at Allen elementary trying to get a project going there. A lot of times we look good because of the people that we partner with. We've got 115 rental units, which is relatively small when

you look at the big producers, the tax-credit guys. But for our organization in central east Austin that's a big thing, especially now as we watch single family rental housing become kind of an endangered species, almost extinct in terms of affordable housing. We have a lot of single family duplex housing scattered throughout east Austin. We've made homeowners of about 50 families, 14 of those are in our community land trust that we started. We were the first in Texas to do a community land trust. That was in 2012. We do homeownership and rental. We've done tax credit projects. As I mentioned we just completed in April the Jeremiah program moody campus, 35 units for single parents, mostly single moms with preschool age kids and a five classroom CDC development center, two playgrounds. That's our first supportive housing project with a partner there. Let's see. So I'm going to focus on three of the projects that we've got sort of in the works, the three main ones. The Guadalupe net zero subdivision I'd say is the most challenging but it's got the most opportunity and it's the most ready to go. So if you look at hopefully that first little packet talks about the status of that. We completed design work back in 2009, and in 2011 got our site development permit for it and finished

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the first phase in 2013. It was just eight units, four duplexes, net zero duplexes. Phase three, so we sort of skipped to phase three, was that Jeremiah program moody campus, 35 units. In between that we moved four houses out of the Rainey street district and made homeowners of those homes or with those homes. Beautiful turn of the century homes that now are occupied by families from the neighborhood. Which is pretty neat. We've got eight homes under construction right now in the community land trust at that subdivision through the help of the Austin housing finance corporation and y'all. Other things we're doing right now that's not listed here, not mentioned, we've got seven homes going up for rental projects scattered throughout the neighborhood so on willow street, Gonzalez street, [indiscernible] Street, Lydia street and so on. Those are single family -- often single family with an Adu behind it. In one case it's sort of like a duplex, single-family home with an accessory apartment attached for a senior, someone over 60, which I have trouble thinking of as a senior now but, you know, we are, they are. [Laughter] Or a person with disabilities. So that's a new part of the land development code we're reusing to get that second unit on a small lot. Of this -- on the subdivision, you've got a nice rendering. If you look to the left side of that, of the creek that runs through it, that is all basically an overgrown former dump site. To the right of that we see the biofiltration pond. The community center is actually the Jeremiah program building we slipped in there. And then if you go to the right off the page we've got a 4-acre single family subdivision and that's where the community land trust homes are going. But to the left, where you see webberville over to one side and good win avenue to

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the top there's 51 units of housing that have been on hold. We applied for money but -- we've applied for money several times but we -- as I say we've got the site development permit ready, we've got all of the housing designed, it's basically permit ready, but asking for two -- over \$2 million to do site work and streets isn't a very sexy thing. It doesn't get you units of housing right away. Also difficult to borrow money, for example, to go out and borrow even half of that with an there rate while you're just moving dirt around and putting in streets and so on to be accruing interest on that. Especially when you're serving folks very low, extremely low income. I will point out there's not a 1-room unit anywhere in here in efficiency or studio. There's one five bedroom house, five four bedroom homes, three bedroom homes and two bedroom homes throughout this. If this were a project by a market rate developer, I can guarantee you'd see almost all one bedroom, maybe a smattering of two bedrooms. It wouldn't be geared to families. This whole department is geared -- development is geared toward families. I've contacted aid and let them know if we can get this going the 125 units, almost all with kids and families, oak springs elementary and govalle won't be at 30 and 40% enrollment. They'll have more kids living there. It makes me proud to see the school bus coming through my neighborhood where we have projects and nine out of ten of the kids getting on that bus are living in our homes. So that's I would say the most ready project, but it's also, again, one of the most difficult to fund when you're -- when the city looks at things like leveraging and so on. Little background on the subdivision and you can see sort of an outline there. The entire -- the entire 11-acre subdivision with the single family on one side.

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The homeownership now that -- again, we were fortunate to find a mortgage lender back in 2014 who was providing the mortgages for community land trust buyers. And that really has, I think, en-- neighborhood housing could testify that, really opened the door to community land trust. We've got now a lender, which means that a good hundred thousand to 150 even to \$180,000 of that construction cost, the development costs, can be paid back. So we can borrow that money and pay it back and put less of a burden on the public dollars through y'all to build homeownership units through the land trust so that's a good thing. Rental housing, single family, is a very expensive process. So. . . Another project I - I don't want to take too much time but another project in the works, we did the feasibility phase but we have about \$240,000 that's needed to complete the design and architectural engineering work is the Lopez senior tower, we don't have a good name yet but 24 units of senior housing right adjacent to the central business district. Surrounded by luxury condos and apartments. And you can see a rendering of what that would look like. We used \$50,000 of city funds and completed the renovation of the historic home, the little house you see down at the front there. Completed renovations back in December, and we have a tenant below 50% mfi living with that beautiful view across the street from 14, 1500s one bathroom apartments and we're getting 500 something for that. The ideal best use of that property then is to build something similar to what's around it and go up 70 feet and put in 24 units, in this case for seniors, and the house could become a community gathering place, a place for students at the UT

medical clinic, school, to come by and practice, so to speak and coordinate with that. So that's a project that really I think I mentioned this the last time I came to

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this committee. The hardest thing for us to get or do is to spend a quarter of a million dollars on predevelopment costs when we may have a net revenue each year of about \$40,000. We're not -- when we do a tax credit project, larger scale project, we can get a developer fee and that's why we can use the developer fee to do these types of things but we don't operate on a scale that a lot of the tax credit -- we don't normally operate on the scale of a lot of tax credit projects. So predevelopment costs, again, would be really, really helpful in that case. Another thing with that project, included -- this would be something that doesn't cost anybody much of anything, but it's just one of those arduous processes where we can use some help. That last page shows a little 10-foot strip outlined in red that is the remnants of a vacated alley. The city vacated it back I think in 1990 in order to expedite or help a shopping mall get developed. The Lopez family in the adjacent house didn't have the money or interest in buying that 10-foot strip, so it's still there until recently it was a homeless hangout and a mess and so on. If we can get your help in directing city staff, real estate and so on, to at least give us the opportunity to acquire that or to get it transferred to us, we can add that into the tract, Lopez tract, and sort of complete that -- take that piece of the puzzle and plug it into actual usefulness and use it for construction of that Lopez senior tower. So that's a function. And sort of finally, finally, in terms of the projects that we have underway that have been on hold for whatever reason, on seventh street we have two lots we developed with two single-family homes back in 1983, '84, at a time when nobody was building anything on that hill other than us.

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It has since become a part of the plaza saltillo today. We can relatively easily and relatively less expensively put in seven or nine units of housing there. There's just two now. A block from downtown, central business district. Again, we would probably build something family oriented so you see three and two bedroom townhouses along seventh street and there's actually three one bedroom alley flats or apartments in the back of the property. That's about a 70,000 just for the architectural and engineering, 70 to 80,000 architectural/engineering costs that, again, could get that project then shovel ready. So those are the types of things we've been working on. There's lots of little stuff that comes on my phone every day or across my desk or whatever where people say they'd like to -- is there something we can do to help them keep their property, if we can buy their land, for example, fix up their home, keep them in their home and build two houses on another part of the land, happens all the time. That's a program that

needs to be developed. What I put in as the last one is a dream project, so to speak. It's the people in the -- as the people in neighborhood housing can tell you I've been bugging them for years, those that have been there, about my can grove on Tillery street, the 5 acres sitting there and why don't they give it to us because we were already developing across the street. We worked on a concept. I asked my architect friend, Tom and his group, to come up with a concept, how many houses could we get there that would be neighborhood scale, something that could work. We met with councilmember Renteria, we showed him 64 units. He says we need more housing than that there. So we -- then I ran into Debbie Kaiser with imagine art. She's trying to figure out a way to get housing coupled with her program that has people with developmental disabilities producing artwork by working with artists who often have a hard time with housing and making a living and so on.

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And what she's found is that these folks a lot of times, the toughest thing for them is to get good, decent, safe housing. There's 180 plus people with disabilities out at these state center for supportive services off mopac near camp may berry that are -- every legislative session they talk about shutting that down. She's got people that grew up in their -- and their parents get to the period they can't take care of them anymore and they get put into group homes where they basically end up isolated. If we could work out something like this project where we have facilities for them to produce art that's open to the community as well, artists to come in and make some money while helping out these folks at the same time we could have some homeownership through the land trust here. So we've worked on the intercept now it's really a matter of getting it to an rfp which word out there on the street is that, yes, maybe sometime in early 2018 we'll see an rfp out to the public in general and nonprofits like ours to see what kind of proposal we can come up with. So that would be wonderful to see that valuable piece of 5 acres that the city owns and has owned for 20 plus years turn into something beautiful in the way of affordable housing for the community. So that's what we've been up to. >> Casar: All right. Thank you for your presentation. I want to get a sense from the two of you what your time line is like so I know whether we should ask Mr. Rogers questions now or if it's better to have Ms. Laff do the representation. >> I do have an appointment I have to be at at 4:00. >> It might be good to have you speak now as well. >> No worries. >> Mark, are you able to stick around with us? >> Sure. >> So I received -- can you hear me now? I received a call yesterday and I believe the focus that John mentioned over the phone is you want to hear what I'm experiencing as a developer in the field as I'm providing affordable housing. That's what I'm prepared to

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speak on it we are -- I'm with sage brook developer, affordable housing developer. We primarily utilize 9% housing tax credits. That program is a program started in the '80s by the Reagan administration and has been one of the most successful programs to create a large amount of affordable housing at one time in one project and allows us to provide units at the lower end -- serving residents at the lower end median income. It includes units that serve 30% AMI, 60%, and a few market rate depending on the developer. They put a large amount of affordable units at once and serve lower AMI residents. We are very fortunate in the city of Austin that we have a council that is very concerned about affordable housing and that y'all take action. I develop across the state and there's a lot of cities that it is fighting tooth and nail to show them that there's even a problem. So first want to commend you guys for realizing there's an issue and being proactive in solving it. Second is that your staff understands the 9% housing tax credit industry. It is governed by the state, and it is a very complicated process that's constantly a moving target. Our rules change year to year. One site that works this year might not work next year. And your staff is very good about understanding the state's regulations and keeping on queue with what the needs are that we have to do in order to win these types afterwards and provide affordable affordable housing in Austin. I'm on my third project here in Austin with sagebrook development. One of the biggest hurdles and I'm sure it won't be a surprise to anyone in this

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room but I'm going to say it, the biggest hurdle I see is our time line for permitting to get the affordable housing on the ground. With these 9% housing tax credits, they come with a place in service date which means I can't sit on my hands like other marketing efforts rate developers trying to gather the right equity, waiting on the permit. From the date that I get my award, I essentially have two years to have my costs in hand. If my permitting process runs me nine to ten months -- I've even had one that has ran 11 months, it wastes a whole year of construction. And so then you are at risk of getting those units placed in service and losing their affordability on those units. The particular project that I'm working through right now is -- has to be placed in service by the end of the year. We used city govt funds. We are working on it nonstop. It is part of the smart housing program and the easiest way that I see to help this process and help incentivize other developers to continue to create affordable housing is to start doing the smart housing expedited process again. I know when the program was originally set up that's what the intent was, and I think somehow we got away from that because that particular project that is smart housing took us 11 months to permit. And I know you guys hear that from every developer that walks in your door. I'm sure you're sick of hearing it, but the risk with affordable housing, if we can't meet those deadlines, is we lose the credits. Then they turn into market rate housing. The next thing that I would like to mention that I see as someone that is constantly looking for new land to develop as part of the tax credit program -- again, I might get something thrown at me by saying this but I'll go there. We all know that we want affordable housing west of 35, west of mopac. You know, somewhere where

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it's -- where there's a need that is not already concentrated with affordable housing. One of the biggest things that I see not necessarily density, which is a -- density bonuses are obviously needed, but the biggest thing I see as I'm looking west is impervious cover limitations, not saying here that I want to -- that I want to pave the whole country or pave the whole city and develop everything. I love my hill country as much as everybody else. A live at 360 and 2222. To give you an example a few years ago I found an 11-acre site close to my house and 11 acres sounds great, right? Totally build a lot of affordable housing there. By the time we took out all of the impervious cover limitations and the slope limitations, we could only build on .97 acres of that 11 acres. So, you know, my question is, is there something, some metric we can look to evaluate the vacant land in Austin, maybe it's even some of the city's vacant land. Because I've seen in the city's database that there is some good vacant land the city owns in areas that could get funded for affordable housing that could be utilized, that could have a additional entitlement bonus allowed to it. But as I look through Austin and come through every particle parcel of land, which I do on a I believe so, my biggest hamstring is indent in -- density and impervious cover. That is one of the things that I see that creates a barrier. Not something that's gonna be popular with a lot of people to talk about, increasing impervious cover, but that's just the facts of what I see. So those are the big things. You know, aside from the permitting process, one of the things that we see any time there is a service extension request required, meaning we have to extend service to our property, a

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lot of times those are public -- utilities that we're extending that are public utilities that ultimately get deeded over to the city, if the easements aren't in place we're having to go out as an affordable housing developer and secure those easements and negotiate with whatever landowner has those easements. I actually just left a meeting at Austin water utility. We're dealing with the same thing. So we had to go get and pay for an easement that's -- that we're deeding over to the city, and it's just an added delay when you essentially can't control what that other property owner is going to do. To give you an example, other cities that I've done business in, they've just -- they've handled the negotiation. It's different when the city handles -- approaches the private landowner and says, hey, this is land that's reserved as a right-of-way. We're going to extend the sanitary line. When a private developer approaches another private developer, the other guy can somewhat hold our feet to the fire and do whatever he wants. I mean, he -- in this particular case, that landowner said, I can charge you a hundred thousand if I want because you need the service. When the city approaches them to help with this extension, it makes a difference because it's the city. It's a municipality approaching them on land that is already essentially going to be theirs. So, again, that's something small and that's very in the weeds, but

that's what I'm seeing. As part of what is keeping us from getting these affordable units on the ground quicker. The project we're finishing now was funded in 2015. It will be 2018 by the time I'm actually moving people in. So. . . >> Casar: Thank you so much for your candor. >> Sorry. >> Casar: Nothing was thrown at you. Thank you all, both, for being here.

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Are there questions for -- yes? >> One more thing I forgot to add. The general obligation bond program is so, so important. And I know that we are, you know, about out of numbers in that account. As a development community, I know especially with the trump administration now being in office, what we're experiencing is the tax credit pricing is going down. So the amount of equity that we're able to get for the tax credits that we receive is less than what it was before. So it makes our deals harder to work. The reason being is because, you know, of course trump is saying the effective tax rate is going to get lower so the market gets scared and they say, well, this tax credit that you have to sell isn't going to be worth as much. What that does is it makes a bigger gap, and as land prices in Austin continue to rise and that gap from -- and the tax credit equity gets lower, it's going to create a bigger need for the gob program. So just I cannot echo enough how important that program is and I'm here ready to support it when we're ready to start working on that campaign again. >> Casar: We're going to have that presentation as soon as you leave. >> Cool. Sorry I'm going to miss it. [Laughter] >> Casar: Questions? Yes, councilmember alter. >> Alter: Well, first of all, I want to thank you both for your work in advancing our affordability needs in the city. I thank you for taking the time to speak with us today. I think it is really important that we have these opportunities when you're not trying to do a zoning case in front of us to have some kind of conversation about what the obstacles are so we can think creatively so I appreciate you both coming and sharing your thoughts on that. Ms. Laff, I know that you've worked in other cities and places. Within Texas, since we have

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so many rules at the state level that constrain us, are there things that other cities in Texas are doing that we really ought to be adopting or thinking about adopting that could facilitate the process of constructing affordable housing? >> One of the things that I've seen in other cities -- and they're smaller cities so it's a city like Plano, for example, that's experiencing quite a bit of growth. They are landlocked, but they have a very good process for showing what land is available, a good program and within their department it's just -- it would be much larger scale here to injured take. Other cities I've also seen an expedited program. I know there was discussion last year about expediting the building process, building is really not your problem. It's site plan. I was really discouraged to hear the conversation so heavy

incentivized on the building process last year when I can typically get a building permit here in about three to six months. It's site plan that is really the hang-up and if we can solve that, I think -- I mean, it will help across the board. It will help with some of the single-family housing that he's doing. It's -- it creates -- as a developer, it creates a bigger cost barrier, which ultimately, I mean, it just drives all of the costs up. I mean, whether I'm utilizing tax credits or not, if I'm a market rate developer doing 80% units, by the time I deliver those 80% units they're going to be at a higher rate because it took so much longer to get them on the ground. So but the person occupying or needing to occupy those 80% units isn't necessarily making more money. So to be able to afford the higher rent. So that's what I've seen in

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Dallas and Fort Worth and San Antonio. There's a true expedited site plan process where they get everyone in the room and make sure everyone agrees on the comments. That's been helpful. Then some sort of a property inventory, which I know you guys were discussing the established from the existing properties once they're build but vacant land as well is good to understand. >> Casar: Can you repeat for us which cities you've worked in that have expedited site plan processes and which -- off the top of your head and also the service extension request help from the city on affordable projects as opposed to -- >> Sure. So I know Dallas, fort Worth, and San Antonio have an expedited process that I've worked through. Now, some of that I'm not sure if it was -- I know for a fact Dallas had a specific pilot program. You paid extra for it, similar to what I think you guys were discussing last year, for the building site. The other entities that I've worked through, I believe it was because of the type of project that we were working on. The service extension request, when that comes into play is if, for example, I need to extend an 8-inch line to get service to my property, I make a service extension request, Austin water utility, to extend from wherever that connection is. If the easement to extend that line is not there, I've got to go get it from whoever currently has it. If the easement is not already in place. Aside from that, if the city looks at the system and decides that there is additional improvements that need to be made, say, half a mile from the site and I'm giving you a pure example of something that we just experienced, we also have to improve -- to improve the other line that is half a mile away from the property, which creates a separate site plan development permit because it's off-site,

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separate process, and if that easement is not there, then I've got to go secure -- to correct the line, I've got to go secure that easement as well. I mean, we were very lucky that we pared with another developer that also had that same requirement but there's an existing line, we had to increase from a 12-inch to 18-inch. The existing line did not have the proper easements in place so we had to also get an

easement for that. It just adds to the delay versus the city taking the bull by the horns and saying we'll help that negotiation or we'll go get the easement because we're the city and it's our line. >> Casar: And which cities in your view are doing that kind of work? >> Again, smaller scale, but longview. So I need a service extended to my property and I was in a development meeting with them actually a few weeks ago. I said, whoa whoa, I don't want to ask them to extend their line and get an easement. They're going to want me to pay an arm and leg to extend that through their property. They said, oh, no, we'll do it, we'll handle it. They've give us an easement. Again, that's a smaller municipality, but they're able to go and secure the easement for us. That at least helps with additional costs on the project. Because, you know, that's not something you can really budget for. It's something that hits the project, ultimately comes out of your contingency, because you're at their mercy, you're at that property owner's mercy. Approaching them as a developer versus the city approaching them, asking for an easement to extend the lines, it's a little bit different. >> Casar: Thank you. Thanks, councilmember alter, for letting me jump in and get those examples. >> Alter: No problem. >> We used to have the same thing here. In many ways Austin led the way on expedited services. Part of the original smart housing program. So when we went through our site plan review process for [indiscernible] Net zero subdivision, I think some of

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our first meetings were with 12, 14, 15 people that were all going to be reviewing it rather than them seeing it for the first time two months, three months, four months after submitting. They sat down at the preliminary meeting before we even submitted it and went through the problems then. Of course that was budgeted for. Then somewhere along the way it's not budgeted for and they went away. So we used to be a good example of doing that sort of thing. >> Alter: We're still paying for all those people -- they still have to do the review. They're just not doing it all in the same room at the same time. >> Yeah. But if they're not doing it in the room at the same time you run into the -- >> Alter: I understand. I'm just saying that's some level it's a management choice that's being made because the people still have to review the project. >> Right. >> It's just a matter of how much of a priority smart housing projects serving them at 30, 50, 80 mfi is. Should they get that special treatment? I sure believe they should. >> Alter: My next question was to staff to understand what legally we can do to expedite permitting for affordable housing and not generally have it be part of the general project? And if you could also maybe explain why it stopped within the smart housing program. >> I don't know that I have that answer. That I might need Rebecca or Gina to come up and help me with that. I think what you just said well captures it. It's a decision that's been made on how we're going to structure the process. I don't think there's a legal hindrance to doing the review, you know -- >> Alter: But if we wanted to say, you know, just like we set up an expedited permitting process that allows developers who follow better builder standards and pay for the expedited review that they can do that process, could we -- you know, is there something that allows us not to go back to the smart housing

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that would I'm presuming say that if you did this level of affordability that you'd be able to have an expedited process? >> I don't think there's a legal impediment to doing that. I think it's a policy decision and I think Rebecca came up and she might be able to give perspective on what changed over the years that led us to where we're at now. >> Rebecca giello, assistant director of the housing department. Who am I today? I think it's an evolution of budget constraints, management decisions. I want to do justice to not only the development partners, but also the individuals who have been in exposition with the city working -- in housing with the city working on this for a long time, more so than I. I also don't want to be subjective and pontificate on something I wasn't necessarily involved in directly, but certainly we have partners who were and what we have been told over time -- and I'm just going to roll it up into it has to do with just a diluted prioritization in that particular area and/or budget decisions, decisions and management over the course of, you know, 10-15 years, where I believe that policy objective was to maintain prioritization but over time did not. And let me give you an example. It was at a time probably at the inception of smart housing that the review team worked together and was funded out of the housing department, if I understand history correctly. Many, many years ago, the decision was to pull those funds out, maintain a specialized team approach. But when the funding was pulled out of one department and the employees actually left the department, as you can imagine, those employees absorbed much of the duties in their new respective

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areas. Thus, without any intent at all, taking on more and not having a critical focus in one particular area, like the smart housing review team specialized approach. So we have an individual in our department who used to be actually on that team, and so it's not just through anecdotal, you know, conversation, but through individuals who actually worked on a very specialized team with a full 100% dedicated approach to smart housing when they began to take on other things, as you can imagine, the prioritization was lost. And that was through many budgetary constraints over time. But I echo what Rosie is saying. That prioritization can certainly be centralized and focused again with resources. >> I think on the other side of it is the demand probably dropped off considerably. When smart housing started around the year 2000, the bulk of the units, in fact, you know, in fact probing no this day the bulk created were in production builder single family subdivision developments where they could go in with -- I forget what percent of their units, I guess it varied, they were going in with whole subdivisions and going through the smart housing process and getting expedited service, as well as fees waived. And that made it enticing. But when the housing market went up to a point where they were no longer willing to do it, that demand dropped off and it was littler guys like ourselves or the occasional tax credit project that could really take advantage and it probably didn't seem like a good use of staff manpower. >> I would concur with that. Just to add that is often a definite layer of decision-making, is the market.

The market changes and so prioritizations change. >> Alter: But if we wanted to -- like smart housing doesn't give you very much affordable housing, as I understand the program. And I may not understand it well, but it doesn't give you the kind of affordability that either of you are talking about that's being delivered in your programs. I mean, you might get that as part of smart housing, but the average -- >> So when I apply for

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gobs, I have to comply with smart housing, and I have to also apply with agb if I'm in an agb zone. Honestly, the smart housing helps significantly if my property has been platted after -- is it 1995? >> Mm-hmm. >> With the service connection lines. So I will always participate in smart housing, you know, if I -- given the option. Because of that alone. It does make a difference. I mean, in some cases it's half a million dollars. >> Alter: I guess I'm not saying it doesn't make a difference. I think that we have a lot of projects that, unlike yours, are not actually delivering a lot of affordability and they're taking advantage of smart housing. >> Got it. >> Alter: I'm not sure if smart housing is the best vehicle to be delivering expedited site planning that you're talking about. >> Mm-hmm. >> Alter: For deeply affordable complexes. >> Yeah. >> Alter: That was kind of my question. If we wanted to run with this, there's a question does it happen through smart housing, does it happen in other ways? What would be the next step? >> I don't know how many apply for smart housing outside of our tax credit industry. Plays for gobs, it's kind of an automatic but that's certainly something to look into. >> Gene no is our -- Gina is our real estate manager and she's going to help with that. >> Hello. Almost exclusively, our smart housing projects are, --are mark and our tax credit partners. >> [Indiscernible]. >> The grove. >> The importance is if you can get market rate builders, again, sort of your production subdivisions to participate in it, yes. That's going to get you 30%

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or 60% mfi homeowners of single-family homes but it can get you a good quantity of 70 to 80% mfi so I think it serves an important piece. It doesn't hit the hardest hit, the most in need, but it hits people in need and provides an opportunity that's not going to exist otherwise. Market rate developers could do it if they're getting some kind of incentive through a smart housing-type programming, including the expedited service that we're talking about. >> Casar: And my understanding is that with the expedited building permit process that I think the council has budgeted for, that the smart housing project should be having access to that program. But what I'm hearing from Ms. Laff and what I've heard from others is even if you get your building permit in a month now instead of four or five, that if you're still waiting on-site plan, you still have an issue. >> I can't get my building without without site plan if it's new

construction. >> Casar: Again I'm not city attorney Ann Morgan but my understanding is that we could establish that kind of a program but operationally it's -- it is a lift for us to do the site planning in that kind of a speed team environment, but I think it's something for us to explore, especially given how frank you've been about how that would be helpful. Councilmember kitchen? Sorry for neglecting your microphone. >> Kitchen: No, no problem. >> Casar: I think you turned it off on accident. >> Kitchen: I was going to mark another issue that -- besides the development issue. And that is the -- I just noted what -- what you said about parking or actually you were talking about parking with regard to the senior housing. >> Mm-hmm. >> Kitchen: So I'm curious to what extent that's an issue. I mean, it's something that we'll be talking about as part of codenext but I'm particularly interested in the impact with senior housing. Because it seems like at this point I don't think there's any -- any that

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it's senior housing is not taken into account, correct? >> I think you're right. That's one example why where did it should be an automatic no-brainer that you've got seniors and you're gonna have fewer cars. >> Kitchen: Yeah. >> It's an old system usually put in place. If you have a two bedroom unit, you need whatever it is, two parking spots or 1.5 where really at most you'll need .34 or something like that. The same is true of tax credit projects and multi-family projects that are truly family oriented. We even with a 20% urban core reduction we had in our tax credit project we're overparked. We have too many parking spaces because we have a three bedroom units that requiring 2.5 spots or three spots, whatever it is, and of course we've got reduced a little bit. We have one driver in that family and then three kids or two kids. So of course they have to look in the -- in the code perspective they're just looking at it and saying, wow, you could have three students and each one has a car, each of the workers has a car so they park it that way. Yeah there could be parking reductions just based upon practicality and demographic and what people actually use. And reduce even farther, as far as I'm concerned. If you're ain an urban core in transportation areas and so on. Codenext is looking at some of that but I'm not sure if senior, for example is considered. >> Kitchen: Right now for senior housing then, is there a waiver opportunity where you can make the case that you don't need that much parking or is that -- >> Board of adjustment variance. If you have -- so a specific type of senior housing where there's 24 hour services available for those folks, then you get a very significant reduction to .251 quarter of a spot per unit. >> Kitchen: Okay. >> And then microunits gets a reduction as well, so if you do senior, it's also micro, you could go that route. >> Kitchen: Okay. All right. Thank you. >> Otherwise it's board of adjustments, which is, you know, hit or miss. >> Kitchen: Yeah.

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>> In fact we're -- we've got a request from haca to put the Chandlers court, part of that is in the tod district so they don't have to -- they can do reduced parking and open it up for parkland, the area where they would have to surface for parking and make it actually -- a pocket park for the clients there. So, you know, I'm really going to look into that and see if we could, you know, maybe pass something that will allow those to happen somewhere else, too, just like we could do the -- that area on the tod district there. Because it's so close to the rail. >> I have something to add to that if I could and I really do have to run. I echo what mark said. We see across our portfolio that we do have -- we are overparked, and so it's not because affordable housing residents don't have cars. That is not true. They do have cars. They just don't have two cars per household. We typically find across our portfolio we're somewhere between 1.2, 1.5 cars per household and that takes into account the three bedroom units. We have all that data. I'm sure a lot of other affordable housing data -- groups do too. We issue parking passes so we're able to see how many cars our residents have and that's data that we're -- you know, I'd be happy to share with the city to show you what they're actually using, and that's across the board, whether it's a suburban deal or urban deal. So just throw that out there. >> Casar: Thank you so much for coming, and I -- right before you do go, I want to mention that this was actually really helpful for us. I think I speak for multiple of us. I think people in the back behind you are nodding their heads instead of throwing things at you. I saw a lot of us jotting down notes. Please continue to work with

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us because I'm interested in ways, you know -- there's obviously some things that we are working on through the codenext process, but there's some things that are separate and different from that and apart from that and looking at parking especially as it relates to senior housing or affordable housing, you know, unnecessarily subset -- that somebody isn't going to sue probably isn't the best use of our funds or the service extension request issue or expedition of site plans I think is all work that I'm sure members of this committee might be interested in kicking off at the full council level and I'm offering myself up as, you know, cosponsor on any of those issues because I think that's important for us to look at. And some of the things that I think you have already mentioned, like figuring out how somebody can stay on their property by building additional housing on it, I think is already in process, but we'll need your continued advice as we come up on potentially making decisions on some of those issues. So thank you all. This was really informative. Maybe we can help you with those 10-foot strips -- >> Thank you very much. I do want to say you've got an incredible staff now in neighborhood housing. With Rosie there and Mandy, as I mentioned, Rebecca. I've been doing this sort of dealing with neighborhood housing for 20-something years. I'm scared to say. And this is probably the best, strongest staff that you've ever had or at least as strong as any. So -- >> Casar: Thank you. Appreciate it >> Casar: Okay. Actually, does anyone have anything to say on that topic before we move on to the next topic, the G.O. Housing bond proposals? Is there some general interest in working in future committee meetings or potentially working just on resolutions at the council level on some of the structural adjustments?

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So potentially we might be working on resolutions to get some of that stuff moving is what I'm hearing off the mics. Okay. So for our last presentation we are going to talk about the affordable housing bond. So welcome, everyone. >> Thank you. Again, Rebecca giello with neighborhood housing and professional development. I'm joined by several others, Rosie, director of the department, Mandy de mayo day two as our development administrator and David potter has actually been the program manager since 2006 just for the general obligation bonds and actually handles all of the financing and putting together the deals that come to us both from the private and non-profit development community. So we have just a real overview and we started with some context recognizing that since we've last had this conversation with the housing committee we have two additional members that might want additional contacts. Some of you may have already heard. So forgive the redundancy, but we will quickly get into the proposed 85 million affordable housing development program and a little bit of ideas there. We are actually working every single week with the bond task force affordable housing working group and our team works with the working group each week along with staff and the finance department. So as those conversations evolve we believe that it's an interesting opportunity to bring information back to you all as well. A little bit about what we'll talk about is we always start every presentation recognizing that the audience is also the viewing audience so offering some context of affordable housing and household affordability is always important. An overview of the housing bond program funding needs and investments as we're moving forward with the conversations with the working group and then the 2018 bond development discussions underway.

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Recognizing obviously the general obligation bonds have played an important role in affordable housing, that definition being housing in which occupants are paying no more than 30% of his or her income for housing costs. Recognizing also transportation plays quite a bit in that housing cost. And then the imagine Austin household affordability context is really important where household affordability is about the cost of housing utilities, taxes and transportation. The housing bonds have been instrumental in household affordability when you take a look, for example, at community land trust where you can remove taxes from an individual's household costs, thus impacting their affordability and cost burden status. We don't spend too much time with the 2006 bond proposition, but it is worth noting that the funding overall, the 55 million, did lend to creating 2,593 affordable units and anything under 45 units on overall. We did want to remind you all of the bond language. The issuance of the 65 million was kept broad and we thought it was instrumental to the programs being presented today. Equipping affordable housing for low income persons and family as well as acquiring land and interest in land and property

necessary to do so. This would come under a successful referendum. It was 65 million. We maintained the investment

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areas with rental housing development assistance which is of course the home repair programs, the home repair programs being the G.O. Bond G.O. Repair and the rental housing income assistance this is where we are also funding the permanent supportive housing as a reminder, we are working off of a resolution of 400 unit goal for permanent supportive housing, 200 which serve individuals in need of housing first. So the conversation we'll have in a few minutes is maintaining those broad programmatic categories as well. You all have seen this map where we recognize that the general obligation bond program has infused capital, which has allowed for geographic disbursement. We would highlight that these funds have been critically instrumental in doing so, leveraging the nine percent tax credits which we have seen crediting into the higher opportunity areas noted on the map. The spending plan -- well, this is actually very project specific, which we've invited David Potter to join us if you all get into the specific projects of each of these investment areas. I won't spend time on this particular piece, but I've and every one of the adopts, and you have recognized this by inviting the developers to the table, has a very unique story, serves a very much needed population and has most often been, as development community partners have said, a labor of love, often times requiring multiple layers of financing to get each of these done with lots of background stories on each one. The permanent supportive housing continues to be a

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program area and will be a source of conversation that has already been in the working group as individuals providing permanent supportive housing has been invited to speak to the working group about the very specific need there. We have felt that it was very important and actually I want to recognize councilmembers for the adoption of the strategic housing blueprint. This offers us really for the first time a framework, a very crucial framework in discussing the gaps and the numerical goals related to the funding or any of the revenue or the strategies that we'll be deploying in the future. So we acknowledge that we are positioned somewhat differently in speaking to the community with the blueprint around these needs. A component of that is the community values. When 18 months of community engagement culminated, what we found was a set of community values that are more vibrant, I think, a little bit more descriptive than what we were using. As a reminder, we are using the deeper affordability, geographic disbursement, long-term affordability, and all those are present here. We are now looking at a new set of values that are driving the conversation. These values being to prevent

households from being priced out of Austin, foster equitable communities, invest in housing that serves most in need, creating new and affordable housing choices for all austinites in all parts of Austin. And helping austinites reduce their household costs. Also recognizing that on it was very important as we began to speak to the community and continue to speak to the community about

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the need that we are able to place a cost to what that need is. And you all have seen this in the blueprint. You have also seen the context around the 60,000 income restricted units with the goal to create those over ten years. And we offer this just simply so you know as we go out and do the public information sessions on any of the bond conversations as we get invited it will be within the context of the blueprint. So this table is an important one for us because it recognizes where the general obligation bond funds play in what I think we lovingly refer to as the stack, recognizing that where we see the green is somewhat the unsolved resources and strategies still needed to create the overall 135,000 unit goal. So the general obligation bond funds play a critical role in the deliverance of what we look at over the next ten years as that overall 135,000 units. I'm going to skip a little bit to how we will be kind of talking about the -- sorry. My paperwork is not in line with this and my -- and I'm not wearing my glasses, so be patient with me as I look at beautiful blurry colors. [Laughter]. So the the 2018 bond development, again, we believe that this would be an evolving conversation with you all. It's right now at 85 million for this dialogue. And it is programmatically broken down for you there, really more in general

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administrative programmatic conversation. There's a little bit of explanation there. When we go out for the general obligation bonds, what we had been really instructed and directed by the community is to keep not only the referendum language as flexible as possible, but to not lock in language that would be crucial in allowing the council the flexibility. So whereas we are looking at a spending time for not only 2006, but also 2013 as being roughly five and six years, those numbers really represent what another allocation of 85 million would be programmed over a six-year spending plan. Keeping in mind not only the trend in how we have been allocating those funds, but keeping it also kind of locked in on the six-year communications forecast. So you're looking at 18 million for ownership. The bulk of the funds being in rental housing assistance at 49 million supporting those gaps and goals in the blueprint. And then the conversations internally as we begin to move forward are needs for additional general obligation funds do recognize an additional one million dollars for home repair over the course of six years. And this has been feedback not only from individuals who have benefited from the program. It is supported by the

needs brought it forward by home repair coalition members as well as the recipients who have administered that program. So as a reminder, that program has been administered the first six years at two million dollars a year and this would represent an increase of one million dollars. And then land acquisition -- an increase of one million dollars per year. >> That's correct.

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>> Land acquisition is a conversation that we would like to have with you all and we've introduced this to the working group. This has been and will be an opportunity for to us partner with the office of real estate services in identifying the acquisition of land per not just the council's direction, but where we believe that the blueprint has signaled the need for additional investment. Currently right now our programs are programmed through an open application process. As you all know we bring those to you through the Austin housing finance corporation board agenda. What we have not been able to do as effectively as we would like is to bring you deals real estate opportunities in partnership with the office of real estate services that would represent new opportunities to acquire land and provide opportunities whereby council would develop community benefits, obviously the affordable housing piece being one in key areas of town. And I think we all recognize the grove is one opportunity where if we had even a portion of funds, and that might not be the best example because it was an an aggregate, a fairly significant amount of money, but there have been smaller opportunities that we will get through the office of real estate services, for example, where opportunities come to Lorraine Rizer, our real estate officer, and she will say this has come to the city of Austin. This would 'three, four, six million dollars. We believe it's in an interestingly ripe area where gentrification may be taking place or where we know investment should be steered. And we're not in the position to identify funding for the real estate transaction. And so we began with an ask that was somewhat higher, with you recognizing that we

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scaled it down in the overall context of what was moved forward. It is right now at \$10 million. We've been asked by the community, we've been asked by council. We've been asked by the working group if additional funds were to be allocated toward affordable housing where would staff potentially recommend that, and this would be one key programming area. And finally representing that a little bit differently is currently right now kind of the four buckets of programming, and that is really programming for maintaining the program level at 65 million, additional funds for land acquisition, aligning additional dollars for homelessness needs to be an area where we would look at and represents that 39-million-dollar discussion point for rhda, and then importantly recognizing a little bit of additional

funds for the home repair program. And we are available to answer questions should you all have them and we're also obviously available to continue this dialogue as we move forward toward the end of the year. >> Casar: Thank you. I think there are some questions from some councilmembers.

Councilmember kitchen. >> Kitchen: Oh. I just was curious about -- well, you kind of answered it. I think the process for the bonds was to put forward a certain amount and then there was a process of what ended up in front of the committee. What did y'all put forward as the original proposed amount that got moved back to 85? >> I think Rosie may remember the exact number. >> More like an additional 75 million. 175. >> Kitchen: 175. >> We were substantially looking to fund the land acquisition and in that last

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slide that Rebecca showed where it showed linking resources to the 127-million-dollar mobility bond, we feel that's also an area that as the work happens, associated with that bond package, that those areas are going to be ripe for a lot of change. And if we have funding -- and it will require dollars and to a great extent to maintain the affordability out there. So if we had funding that was targeted towards preservation of affordability or -- it would be the same kind of programming, though, that would happen with rhda, but with the focus of recognizing that those corridors are going to see a lot of change and we need to make sure that we are able to act on maintaining the affordability in those areas as that change is happening because if we don't it's going to be too late and we won't be able to do it. When we were looking at substantially increasing our funds we talked about maintaining our current business levels or current funding levels for our programs, recognizing we wanted to fund our home repair program additionally, and then really looking at land acquisition as a real opportunity so we can through rfps make properties available and take advantage of the fact that we get first crack at a lot of things and then not -- and be positioned to not lose out on the opportunity to affect the mobility around the corridor changes. >> Kitchen: So the 175 million, have you been able to present that to the subcommittee of the bond committee? Have you been able to present that figure? >> We did. One of the things they asked for when we were working with finance reach week is what was the original number? Itly led to if it could get back up to that number where would you allocate it? >> And the 175 is obviously just a drop in the bucket compared to the needs shown

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on the blueprint on the 85 is a step back from a drop and of course we're trying to negotiate with all those other needs, but -- and I understand you having to prioritize and slim down, but I think that we discussed in work session recently that there is a decent amount of support on the council for us trying

to go for three digits if we can. And so we of course have to negotiate those needs amongst the various ideas the task force has. I appreciate you guys making the 174 as we try to figure out how to put that package together. >> I might say and Mandy might be able to speak to this. At day two of her work at the city of Austin from housing works, there's a great deal of information out there about the success leveraging our bond dollars and the return that comes back associated with that. >> Oh, I am on. Mandy de mayo, neighborhood housing and community development. Going to take me awhile to get used to that. We did a study of the 2006 affordable housing bonds and what the return on investment was with those housing bonds. So not just renew the number of units that we created and we knew anecdotally the lives that were changed. We wanted to know how many jobs were created, the dollars leveraged and what the impact on the local economy was. So we did a study based on the 2006 and then it was just released in December so it's on the housing works website. We missioned an economic consulting firm. And using kind of industry standard too old called in plan they kind of plug in all the different numbers that we created, the type of housing it was, the type of units, the rent paid. And the biggest ah ha moment of that was between 2006 and 2013, in 2006 we leveraged our bond dollars about four to one, which was pretty good. We were kind of excited about that. 2013 we leveraged -- our leverage ratio at this point

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is seven to one. So for every dollar that the city invested, the developers, those folks sitting here at the table, the mark Rogers and the Megan lashes, found another seven dollars in private financing. Often grant dollars, foundation dollars, private dollars. So that was good. We're trying to really pinpoint what that -- what caused that increase in leveraging. I think in a lot of ways both Megan and mark here before have done tax credit developments. That's really where you get the most bang for your buck in a lot of ways because it requires a significant amount of leverage. The tax credits bring that equity. But then you're selling that through a syndicator, you're selling the tax credits and bringing those extra dollars to table. So with the bond investment, the 2 million, 3 million, depending on what type project, then they're able to bring additional dollars to the tax credit. >> And that's helpful in the context of what we were just talking about because if we went from 85 million and added, say, 25 to go to 110 we're not adding \$25 million to bring the bear to affordable housing if that's being leveraged seven to one, you're talking about over 150, \$175 million more that are being brought to the table through -- >> And it would have an impact on local economy. That's kind of what interested me if you look at the actual study, which again is on the housing works website, it looks at how many jobs were created, who were we employing here, obviously locally. And once those workers get the money in their pocket, what are they spending in the local economy? And then the ongoing operation of the housing as well. Because obviously once the project is up and running you have maintenance staff, you have leasing staff. You have a variety of staffing. But then you also have people who are saving money on rent so that's additional money in their pockets, which they then spend on

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other needs. Housing is typically the number one in any household's budget. Number two is transportation, but health care expenses, we've got food, we've got clothing, we have all of these things that low income families are disproportionately more likely to skip in order to pay for housing costs. And so once they have stable affordable housing they're able to spend that in the economy. >> Casar: Thank you. Councilmember alter. >> Alter: Thank you. First of all welcome, Mandy. It's wonderful to have you on board at the city. Always love to see district ten folks at the city. I had a couple of different questions. First of all, I wanted to clarify the original ask before it got into the 85 with the 175, was the balance under land acquisition or how was that divided? I know you said you talked about that with the bond task force? >> It was largely under acquisition. I think initially we -- I think it was land acquisition was brought up. So we had housing rehab, expansion and replacement at 65 million. Then 1005 for new housing. But it was initially 50 million. 105. >> Alter: So 40 million of the 90. >> And the rest was loaded into -- >> The housing developer. >> My columns are cut off. I'm trying to refer based on limited characters here. That would allow us the flexibility knowing that -- we talked about whether or not we wanted to separate with program language the idea of focusing on those corridors, but keeping it all in the same general bucket allowed us to maintain flexibility. >> Alter: And Ms. Demightio, when you did the -- de mayo, when you did

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the research, was there any way to tell which bucket leveraged the most dollars? Was it land acquisition? >> They leverage at different rates and so we looked at -- we hired an economist. We did not do this work in-house. We looked at home repair actually had a significant leverage rate, which was interesting, and preservation over new construction had a little bit higher leverage rate, but that was in the 2006 and the 2013, unless I'm mistaken, predominantly all of them are tax credit and all of them new construction. They're all rental versus when we looked at 2006 about 75% were rental and 25% were ownership. And the ownership does not leverage as high as the rental housing. The vast majority of these are tax credits which have the highest leverage ratio and below that the the leverage was probably home repair. >> But that doesn't also measure if you combine things. I could imagine doing tax credits combined with land and doing, you know -- >> We didn't do that. >> We did not separate out like which portion of development leverages the most. It was looking at the project overall so the total development cost, how much was bonds, how much was other sources of funds. >> If you wouldn't mind sending over, that would be great. >> I would send you a link. >> Alter: The last question I have for right now is how are we imagining this being broken down for the bond? Are we imagining that this is

one proposition for the housing? What are the limits that we're currently operating under in terms of how we're thinking about that? >> Typically what we've seen is the housing initiative is

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underone proposition. It's not broken up into home repair in one proposition, and developer assistance in another. It's lumped all in one bucket. That's what we've seen the last two times. >> The last two referendums. And you know, I think it would be important that you all want to know more about the development of the referendum that we definitely bring law into the discussion, but I would say where we have seen success in the community for the bonds I would want to steer that same course unless there was a reason not to. I think there were a lot of reasons that were put forward not necessarily by the city, but by stakeholders that we heard from when the secondary election for -- >> 2012. >> 2012, when it was not successful. There's a lot of pontificating on that even today. One of the reasons stakeholders felt that we had heard was that there was confusion around the referendum. It had been slightly different than the first if I recall. >> It had some very specific language, as a result of all the bond propositions it was kind of the lengthiest. And so what the aftermath was when folks were looking back at that bond election, was if you don't know anything about the bonds and the ballot is your only educational tool, a lot of us just go in the ballot and say do we vote or not, that the language was overly restrict active and confusing. >> So we would want to simply look at those kinds of issues in drafting the next go round. >> Alter: The reason I was asking that question is one of the things that I'm also interested in addition to acquiring land for affordable housing is acquiring land for open space. And sometimes those

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opportunities come together. And I just want to throw out there that, you know, as we're looking to increase the amount of money or the land that could be used for affordable housing that we think about what it would mean to combine those -- that amount of fund to get a much more significant amount of funds so that we're ready in either case to be able to acquire whichever land it is that is coming forward as an opportunity. It could even be tied to state land or county land or something, but I think we have some opportunities, which I appreciate in the high opportunity areas, where we really do need to think about getting that balance and understanding that these are going to have to go hand in hand in we're going to be able to accomplish those goals. >> And we have had that conversation with parks about opportunities that come up and wanting to work collaboratively before -- like before parkland is dedicated to make sure if there's the ability to partner that that partnership occurs at the right point in time. >> Alter: Thank you. >> Casar: Thank you. And councilmember alter, I think that's a really

interesting idea. And I think it would be good for us to reach out to bond council and figure out what the options might be. Any other questions on this item? Thank y'all so much for all your help in all these presentations. And I think Mr. Rogers' compliment to y'all was very kind and played out to you today. Thank you very much for your work. Before we wrap up, we are slated to approve our meeting dates for the calendar year 2017. I do not have the piece of paper with those on here in my stacks of paper, so I might ask for someone to bring that to me so we can vote that out. So we still also have a moment to talk about any

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future agenda items. So we'll buy some time by talking about that really briefly. >> And I can stall for a quick minute to say for the questions that came up we April 28th committee meeting we included those in your binders and they were emailed to you, the responses to those questions. And that's typically how we have handled with the previous housing committee, that's typically how we handle it is we deliver the responses at the next available meeting. There's a different process that you would like us to follow, then we can certainly -- we're open to that. We did what we've done in the past so that's how you got the information for this meeting. >> Casar: I found that really useful so thank you for having sent that too. Are there any issues folks want to bring up for future committee meetings? I thought it was very useful for us to put this together, the homestead preservation district's issue that we were thinking about discussing today, given the state legislature just leaving, we're delay for one more meeting. So I think tips and the future of HPDs will be something important for several of us to have on the next meeting. But is there anything else that folks want to flag now? Councilmember kitchen. >> Kitchen: Well, I would just suggest that somewhere -- I'm not sure when, it would be useful to continue to track the bond issue. So that will come back to council sometime late spring probably so sometime before that it might be helpful for this committee to understand what the recommendation is that's going to come to us. >> Casar: That's helpful. And I thought it was really great to have you here for this one. So of course we'll keep you up to date on when the meetings are, but potentially the two meetings for now, once the citizens group has worked a little bit harder on it maybe we can get an update from folks on that group and make sure that you're here for that. Councilmember? >> Alter: As we evolve our discussions on some of the items that came up early early about the service

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extension requests and the expedited site plans and the easements as appropriate, I think we may want to bring them to the committee for wider debate. >> Casar: That would be helpful. I've listed expedition of site plans, the service extension request, easement question and parking as it relates to what we're

actually seeing happening on the ground. And I think that if you will work with me to figure out how complicated those issues might be and whether we should discuss them in committee or whether the best thing is for us to put them in resolution format, kick them to staff and have the results come back to committee, I think those would be the two traditional routes and I think it's how complex the issues are underneath. So I would love to work with your office and anybody else on the committee to figure out which of the two paths to take. >> Sure. One thing that we discussed in our precommittee meeting which didn't have -- didn't come out with our discussion to visitors is whether or not there's some additional alternative financing mechanisms that the city might be involved with when we have land and it's really a question of getting that construction up and in sort of a temporary period of time we had some questions about the financing. I'm not sure what the technical term is within the housing world for that, but the idea is basically you need a loan of \$120,000 to do the construction, and you don't have that ability to get that loan, but you have the land, is there a way for the city to be providing those resources. And we may already have a program, but from our discussion it didn't sound like we did. >> We do. That's what David just said. David said we do. >> Alter: Then it sounds like there might be some need for more people to know about that program. So thank you. >> Renteria: I would like to also -- if it possible. I don't know where you are at on the strike fund. If y'all could give of where

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we're at on that. >> We'll reach out again to the mayor's office. The strike fund is actually not something that we as staff are involved with. We've expressed our interest in getting a briefing for the housing committee when they're ready to have a briefing so we'll extend a hand to them and see if there's a timetable. >> Casar: And one other issue that had been brought up bay councilmember was looking potentially at what other cities do as far as tax abatements on affordable housing in ways similar to our historic preservation abatements. I know other places have much more expansiveness on that than we do, but I know there may be a way to sync that with the tifs and HPDs to maximize the effect. >> And we have that noted from our conversations and that's one of the aspects that we you just need a little bit more time to do some prep work. >> Casar: Great. Thank y'all. I got a note that actually our staff says the committee are still working on the best dates, which is why I don't have a list. >> There you go. >> Casar: So we will hopefully just figure that out between here and the next meeting. But thank y'all very much. I thought this was very productive and thanks to everybody on the committee for attending. Is there a motion for us to close this thing out? Councilmember Flannigan, seconded by vice-chair alter, I think. And I don't think anybody is opposed. That way we're not just in recess between here and two months from now.